

Internet transactions will help to ensure that the nearly limitless potential of electronic commerce is realized.

I would like to touch on another issue arising from this debate, the broader question of whether Congress should allow the States to require all remote sellers—be they over the new medium of the Internet, or the more traditional mediums of mail order or telephone to collect sales tax on deliveries into states where the seller has no physical presence or “tax nexus.”

I believe the current rules on whether an out-of-state company should collect sales tax are, in fact, fair and reasonable. Simply stated, a company is required to collect tax on deliveries into a State if it has a presence in that State. This rule has served interstate commerce well, and importantly, has not burdened small, entrepreneurial companies with having to hire lawyers and accounts to comply with 7,600 different taxing jurisdictions, and worse still, liability to audit from States and localities throughout the country.

I'm not prepared at this point to support any new tax collecting requirements on remote commerce. However, if this committee were to act on this broader issue, the Wyden bill's approach, which requires full congressional scrutiny and a mandatory up-or-down vote by Congress before there is any new tax collecting, seems to me to be the correct course.

#### RETIRED PAY RESTORATION ACT OF 2001

Mr. BIDEN. Mr. President, I am pleased to be a cosponsor of the Retired Pay Restoration Act of 2001, which corrects a long-standing inequity that has resulted in a major slap in the face of our dedicated service men and women.

Current law bans so-called concurrent receipt of VA disability compensation and military retired pay, so that the amount of any VA disability payment to a military retiree is subtracted from the monthly retirement check. In operation, this rule seems to turn logic and common sense on its head, and its repeal is long overdue.

Let's be clear what we're talking about. This provision only applies to military retirees, those who have served their country in uniform for at least 20 years. Such retirees receive a taxable monthly pension based on their length of service and their final pay, which is determined primarily by their rank and length of service. In this regard, the military retirement pay system resembles the civil service retirement system with which we are all familiar.

VA disability compensation is completely different. VA disability compensation consists of tax-free monthly payments to veterans who served in uniform for any length of time and who, during their time in the military, incurred a service-connected disability. These monthly payments are based only on the severity of the disability

and nothing else: not on the length of service, the person's rank, the active duty pay, and so on.

So at first blush, it seems that there is no logical reason why VA disability compensation should be offset against military retired pay: they are disbursed for completely different reasons and are calculated by totally different methods.

But the incongruities of the present rules are nothing short of mind-boggling. Let us hypothesize that twins Jack and Jill sign up for the military at age 18. After 1 year in the military, Jack and Jill both incur identical knee injuries after stepping into a hole while running the obstacle course. The military disability system evaluates both Jack and Jill, confirms a mild disability in both due to intermittent swelling and locking of the knee, but determines that this disability is not severe enough to render them unfit for continued military service.

At this point, Jack and Jill decide to pursue separate paths. Jack decides to leave the military when his enlistment is up, at age 22, and joins the Federal civil service in the Defense Department as a procurement specialist. Immediately after leaving the service, Jack applies to the VA for disability compensation, which is granted, and Jack then receives monthly payments from the VA for the rest of his life. At age 55, Jack retires from the Federal civil service and begins receiving his full monthly civil service retirement check in addition to the VA disability compensation that he has been receiving all along.

Jill, on the other hand, decides to stay in the military after her injury, working as a procurement specialist. Of course, while she remains in the military, she receives no VA disability compensation, even though her twin Jack is receiving VA disability payments for the same injury all along. At age 55, Jill retires from the military, and starts to receive monthly military retirement checks. Jill applies to the VA for disability compensation based on her knee injury, and it is granted. However, when she begins to receive her VA disability checks, the amount of those checks is subtracted from her monthly military retirement pay.

How can we rationalize this disparate treatment of Jack and Jill? We can't. It makes no sense that those in uniform who suffer a service-connected disability end up being penalized for deciding to remain in the military, while those who leave the military are amply rewarded. The longer you serve in the military, the more you are penalized. Does this make sense? I don't think so.

Or let's consider another option. Twins John and Jane both enter the military at the same time, serve in the same position, and retire at the same age. Both receive the same monthly retired pay. John has incurred a service-connected injury, and after retirement, he is granted a disability compensation

from the VA. Jane was never injured in the military. However, they both end up getting the same amount of pay, since John's VA disability payment is subtracted from his military retired pay. Does it make sense that we have an elaborate system for disability compensation that ends up treating the injured John and the uninjured Jane the same? I don't think so.

The logical inconsistencies of the present rules are overwhelming. It is time to repeal the provision in current law that prohibits military retirees from receiving concurrent receipt of full military retirement pay along with VA disability compensation. Those who put their lives at risk by putting on the uniform of this country, and who are then disabled as a result of their military service, must be treated fairly and awarded all the benefits they have earned and which they deserve. To do any less makes a mockery of the sacrifices of all our service men and women.

#### ADDITIONAL STATEMENTS

##### RECOGNITION OF MAJOR GENERAL J. CRAIG LARSON

• Mr. HATCH. Mr. President, I want to take this opportunity to recognize an outstanding American and soldier. Major General J. Craig Larson has devoted nearly thirty-three years to the U.S. Army and Army Reserve. It is only fitting that we pay tribute to a magnificent soldier and citizen who has done so much for his country and the great state of Utah.

Major General Larson is the Commander of the U.S. Army 96th Regional Support Command in Salt Lake City, UT. As such, he commands more than 6,000 Army Reservists in the six-state area of Colorado, Montana, North and South Dakota, Utah, and Wyoming.

He was drafted by the Army in 1966, and obtained the rank of Sergeant. He then attended and completed Officer Candidate School at the Ordnance Center and School in Aberdeen Proving Ground, MD. He was commissioned a Second Lieutenant in January 1968. He served nearly seven years on active duty with assignments as Assistant to the Depot Commander, Anniston Army Depot, Alabama; Commander, Company C, 702nd Maintenance Battalion, 2nd Infantry Division on the DMZ in Korea; and Assistant Director of Industrial Operations, Indiantown Gap, PA.

During his twenty-six years in the Army Reserve, he served as: Commander of the 259th Quartermaster Battalion (Petroleum Terminal and Pipeline) in Pleasant Grove, UT; Executive Officer and then Commander of the 162nd Support Group at Fort Douglas, UT, and Deputy Chief of Staff for Logistics, Headquarters, 96th U.S. Army Reserve Command, also at Fort Douglas, UT.

Just prior to his current assignment, Major General Larson was the Assistant Deputy Chief of VA Staff for Logistics and Operations, U.S. Army Materiel Command in Alexandria, VA. As such he was activated in November 1996 to be Commander, Logistics Support element—Africa, HQ, Army Materiel Command, in support of Operation guardian Assistance, a humanitarian relief effort for refugees from Rwanda, Zaire, and Uganda.

Major General Larson is a native of Salt Lake City, UT and a graduate of Highland High School. He received his Bachelors Degree in Business Management from Weber State College and a Masters of Business Administration from the University of Utah. In his civilian life, Major General Larson is owner and President of Wind River Petroleum. He also serves as Chief Executive Officer of Christensen and Larson Investment Company, President of Wind River Trucking, and is currently serving on the Salt Lake International Airport board of directors. He is married to the former Toni Eskelson of Salt Lake City—also a Highland High School graduate. They have five daughters, two sons, and eight grandchildren.

General Larson is leaving command and the uniform on Saturday, the 24th of March 2001. His uniformed service to the Nation will be greatly missed. However, he will continue to serve his community and family as a business and civic leader and as a father and grandfather. As a nation we should take this opportunity to recognize and honor Major General J. Craig Larson, a true American.●

#### HONORING MARY HICKEY

● Mr. JOHNSON. Mr. President, I rise today to publicly commend the work of Ms. Mary Hickey of Aberdeen, SD, for her over twenty years of outstanding service on behalf of the taxpayers of South Dakota. As an employee of the Internal Revenue Service, Mary has been the absolute model of a public servant and an invaluable asset to my office during the last several years. It is with regret that I announce that she will be leaving South Dakota and moving to Nebraska, where I'm sure she will continue her exemplary service.

Mary began her career with the IRS in 1980 as a Contact Service Representative in Rapid City, SD. She became a Tax Auditor in 1986, and in 1996 she was promoted to Problem Resolution Officer in Aberdeen. During her many years of service to the citizens of South Dakota, she has provided outstanding assistance, helping to make sense of what can often be a complicated federal bureaucracy. On more than one occasion, I've heard my staff raving about the amount of time, commitment, and cooperation Mary put forth to serve and represent the taxpayers of South Dakota.

Mary's accomplishments are numerous. During the last few years, Mary developed new and innovative tech-

niques to aid in the restructuring of the Taxpayer Advocate Service, a project of the IRS' Problem Resolution Office. For all of her outstanding work, Mary has received numerous, well-deserved IRS awards and accolades. Mary also excels in her community, and is active with the United Way of Northeastern South Dakota, having served as the Board Secretary for the past four years. As Board Secretary, Mary participates in oversight of the organization and has helped to raise over \$600,000 annually to support 19 local charities.

It is an honor for me to share Mary's accomplishments with my colleagues and to publicly commend her for serving South Dakota so excellently. Alas, South Dakota's loss is Nebraska's gain and I'm sure she will provide that state with the same outstanding performance she has demonstrated here.●

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry withdrawals and nominations which were referred to the appropriate committees.

(The nominations and withdrawals received today are printed at the end of the Senate proceedings.)

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HATCH:

S. 560. A bill for the relief of Rita Mirembé Revell (a.k.a. Margaret Rita Mirembé); to the Committee on the Judiciary.

By Ms. COLLINS:

S. 561. A bill to provide that the same health insurance premium conversion arrangements afforded to Federal employees be made available to Federal annuitants and members and retired members of the uniformed services; to the Committee on Governmental Affairs.

By Mr. REID (for himself, Mr. DASCHLE, Mr. KENNEDY, Mr. DODD, Mr. GRAHAM, Mr. SCHUMER, Mr. REED, Mr. KERRY, Mrs. CLINTON, Mr. CORZINE, Mr. DURBIN, and Mrs. BOXER):

S. 562. A bill to amend the Immigration and Nationality Act with respect to the record of admission for permanent residence in the case of certain aliens; to the Committee on the Judiciary.

By Mr. SANTORUM (for himself and Mr. GREGG):

S. 563. A bill to amend the Social Security Act to require Social Security Administration publications to highlight critical information relating to the future financing shortfalls of the social security program, to

require the Commissioner of Social Security to provide Congress with an annual report on the social security program, and for other purposes; to the Committee on Finance.

By Mr. ROCKEFELLER:

S. 564. A bill to amend section 1713 of title 38, United States Code, to provide continuing eligibility for medical care under that section for individuals who become eligible for hospital insurance benefits under part A of title XVIII of the Social Security Act by turning 65; to the Committee on Veterans' Affairs.

By Mr. DODD (for himself, Mr. DASCHLE, Mr. INOUE, Mr. DAYTON, Mr. KERRY, and Mr. KENNEDY):

S. 565. A bill to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; to the Committee on Rules and Administration.

By Mr. HOLLINGS:

S. 566. A bill to amend the Internal Revenue Code of 1986 to provide a 10 percent individual income tax rate for taxable years beginning in 2001 and a payroll tax credit for those taxpayers who have no income tax liability in 2001; to the Committee on Finance.

By Mr. SESSIONS:

S. 567. A bill to amend the Internal Revenue Code of 1986 to provide capital gain treatment under section 631(b) of such Code for outright sales of timber by landowners; to the Committee on Finance.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BINGAMAN:

S. Con. Res. 26. A concurrent resolution authorizing the Rotunda of the Capitol to be used on July 18, 2001, for a ceremony to present Congressional Gold Medals to the original 29 Navajo Code Talkers; to the Committee on Rules and Administration.

#### ADDITIONAL COSPONSORS

S. 22

At the request of Mr. HAGEL, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from Ohio (Mr. VOINOVICH) were added as cosponsors of S. 22, a bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes.

S. 152

At the request of Mr. GRASSLEY, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. 152, a bill to amend the Internal Revenue Code of 1986 to eliminate the 60-month limit and increase the income limitation on the student loan interest deduction.